**THIS RESTRICTIVE DECLARATION** ("Restrictive Declaration"), entered into as of the \_\_\_\_ day of \_\_\_, 201\_\_, by \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, having its principal office at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ("Owner") *[if subject to a ground lease: and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, having its principal office at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ("Applicant")]*.

**WHEREAS**, Owner holds title to certain real property located in the Borough of \_\_\_\_\_\_\_\_\_ in the City and State of New York, known as and by the street address [*address*]**,**  and identified as Block \_\_\_\_\_\_\_, Lots(s) \_\_\_\_ on the Tax Map of the City of New York ("Property"); and

*[if subject to a ground lease: WHEREAS, Applicant holds title to the leasehold estate in the Property pursuant to that certain lease having a term ending on \_\_\_\_\_\_\_\_\_\_\_ between Owner and Applicant, dated \_\_\_\_\_\_\_\_\_\_,201****\_*** *(“Lease”);and]*

**WHEREAS**, the Property contains one or more multiple dwellings receiving an exemption from real property taxation pursuant to Subdivision 17 ofReal Property Tax Law §421-a and Chapter 49 of Title 28 of the Rules of the City of New York (collectively "§ 421-a") pursuant to § 421-a Extended Benefit Application TEOXXXX; and

**WHEREAS,** unless otherwise defined in this Restrictive Declaration, capitalized terms used herein shall have the meaning set forth in § 421-a, and

**WHEREAS**, eligibility for exemption from real property taxation pursuant to §421-a is conditioned upon the Propertymeeting the Extended Affordability Requirements set forth in Real Property Tax Law §421-a(17) upon initial rental of such units and upon all subsequent rentals of such units after a vacancy, during the Extended Affordability Period; and

**WHEREAS**, eligibility for exemption from real property taxation pursuant to §421-a is also conditioned upon the Affordable Housing Units being subject to Rent Stabilization ("Rent Stabilization Requirement");

**WHEREAS**, to ensure compliance with the Extended Affordability Requirement during the Extended Affordability Period, §421-a mandates that all Affordable Housing Units be rented to eligible tenantsat or below the Permitted Rent; and

**WHEREAS**, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ is the Commencement Date in accordance with Real Property Tax Law §421-a(17)*.*

**NOW THEREFORE**, in order to obtain exemption from real property taxation pursuant to §421-a(17), the Owner has *[if subject to a ground lease: and Applicant have*] agreed to execute and record this instrument, which provides as follows:

1. The Property shall be subject to the Extended Affordability Requirement for a period commencing upon the Commencement Date and terminating on a date which is [*with respect to a Twenty Year Benefit Property,* fifteen*…with respect to a Twenty-five year Benefit Property,* ten…] years from the Commencement Date.

2. Each Affordable Housing Unit in the Property is identified in Exhibit A attached hereto, which also provides the number of bedrooms such Affordable Housing Unit contains and whether such Affordable Housing Unit is an Affordable Housing Eighty Percent Unit or an Affordable Housing One Hundred-Thirty Percent Unit.

3. The Affordable Housing Units shall be subject to the Rent Stabilization Requirement during the Extended Affordability Period.

4. During the Extended Affordability Period, each Affordable Housing Unit shall be rented at or below the Permitted Rent (“Permitted Rent Requirement”).

5. During the Extended Affordability Period, no Affordable Housing Unit shall be held off the market for a period that is longer than is reasonably necessary or offeredto a corporation, partnership or other entity (“Rental Requirement”).

6. No portion of the Property shall be operated as a Hotel during the Extended Affordability Period (“Hotel Prohibition Requirement”).

7. Tenants in occupancy of Affordable Housing Units at the expiration of the Extended Affordability Period shall continue to be subject to the Rent Stabilization Requirement for the duration of their occupancy ("Continuation Requirement").

8. This Restrictive Declaration may be enforced by the City of New York and any of its agencies and instrumentalities, the State of New York and any of its agencies and instrumentalities, and any tenant.

9. The Extended Affordability Requirement, Rent Stabilization Requirement, Permitted Rent Requirement, Rental Requirement, Hotel Prohibition Requirementand Continuation Requirement set forth in this Restrictive Declaration shall run with the land, shall inure to the benefit of the City of New York, the State of New York, and all tenants of the Property, and shall bind and be enforceable against Owner and its successors and assigns to the fullest extent permitted by law and equity.

*[\_\_. [if subject to ground lease: Applicant shall be obligated to perform or cause performance of the terms of this Restrictive Declaration during the term of the Lease and Owner shall be obligated to perform or cause performance of the terms of this Restrictive Declaration following the termination of the Lease. Further, in such instance, Owner shall have the right to enter into another lease of the Property, in which event the tenant thereunder shall be the party obligated under this Restrictive Declaration.]*

11. At any time prior to the Commencement Date, the Owner may terminate this Restrictive Declaration by written notice to the City of New York Department of Housing Preservation and Development. *[if subject to ground lease: At any time prior to the Commencement Date, the Applicant may terminate this Restrictive Declaration* *by written notice to the City of New York Department of Housing Preservation and Development.]* The exemption from real property taxation pursuant to §421-a shall thereafter terminate, retroactive to the effective date of such exemption.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

STATE OF NEW YORK )

 ) SS:

COUNTY OF NEW YORK)

On this \_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_, 201\_, before me, the undersigned, a Notary Public in and for said State, personally appeared \_\_\_\_\_\_\_\_\_\_\_\_\_\_, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to inthe within instrument and acknowledged to me that [s]he executed the same in [her]his capacity, and that by [her]his signature on the instrument, the individual, or the person on behalf of which the individual acted, executed the instrument.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

NOTARY PUBLIC

Record and Return to:

John Leonard, Executive Director

Tax Incentives Programs

Department of Housing Preservation and Development

100 Gold Street, Room 8-D09

New York, New York 10038

EXHIBIT A

|  |  |  |
| --- | --- | --- |
|  |  |  |
| **Apartment Number** (e.g. Unit 1A, etc.) | **# of Bedrooms**(e.g. Studio, 1BR, 2BR, etc.) | **AMI Limit**(e.g. 80% AMI, or 130% AMI) |
|   |   |   |
|   |   |   |
|   |   |   |
|   |   |   |
|   |   |   |
|   |   |   |
|   |   |   |
|   |   |   |
|   |   |   |
|   |   |   |
|   |   |   |
|   |   |   |
|   |   |   |
|   |   |   |
|   |   |   |
|   |   |   |
|   |   |   |
|   |   |   |
|   |   |   |
|   |   |   |
|   |   |   |
|   |   |   |
|   |   |   |
|   |   |   |
|   |   |   |
|   |   |   |